United States Department of Agriculture

Office of Governmental and Public Affairs

# Major News Releases and Speeches

## Dec. 3 - Dec. 10, 1982

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# Speeches

U.S. Department of Agriculture • Office of Governmental and Public Affairs

**Remarks prepared for delivery by Secretary of Agriculture John R. Block before the National Milk Producers Federation's 66th Annual Meeting, Detroit, Mich., Nov. 30, 1982**

Just about nine months ago to the day—March 3rd in Seattle—I presented the Western States Dairy Conference with what I hoped would be a strong challenge for the entire dairy industry. I'd like to repeat just two sentences from those remarks:

> "I'm certain that you, as responsible dairy producers, share my vision of the day when we can put all of our problems behind us. But you also realize that we've got a lot of work to do before that day comes and. . .quite frankly. . .we aren't even headed in the right direction yet."

That was nine months ago. The dairy surplus situation was placed on the front burner, and all of us—in government and within the industry—intensified our efforts toward solving what was becoming a very formidable problem.

We saw the Kansas City dairy symposium, during which dairy leaders across the nation joined together to assess the situation and begin the task of finding a solution. While everyone agreed there was indeed a problem. . .that it was a growing problem. . .the industry itself was far from unanimous agreement when it came to defining the solution.

We saw an added thrust in our efforts to distribute dairy products to the needy, both domestically and overseas. We saw the administration's plan go to Congress. . .the National Milk Producers had a place. . .and Congress came up with its own.

Now—nine months later—we find that the treadmill has been moving faster than we have. And we still don't know whether we're heading in the right direction. I suspect that most would say—"Probably not."

Without exception, I'm certain there's no person in this room who can say many kind words about the 50-cent assessment. That includes the secretary of agriculture.

This is a good time to set one matter straight once and for all. From the comments I've heard and what I've read, Jack Block seems to be catching a lot of flack about this assessment. Now I don't mind a little flack, as long as it's for something I've initiated. That's to be expected from time to time. But I'm not going to pretend it doesn't make me angry to have the contempt for this plan directed at me.

This is a congressional plan and none of us like it. And it's sad that after all of the discussion about the dairy program, this is the only tool that Congress can give us. It should make all of us wonder who they were listening to.

I'm fully aware that Congress isn't ordering me to administer the assessment—though, they might as well have. They gave me the discretion, but at the same time they took credit for and wrote the savings into the Budget Reconciliation Bill. And as much as I disagree with this approach, it would be irresponsible for me to not administer it. It would be irresponsible from a budget standpoint, and from a public relations standpoint for the industry. The eyes of the taxpayers are focused on your industry. Remember, we're spending $2 billion a year and there's no end in sight.

Let's face it, the longer we take to solve the problem, the harder it will be to sell the entire dairy program to the general public. Mark Twain once observed that you should never tell people your problems, because 80 percent of them won't care anyway, and the other 20 percent will think you deserve it.

If I don't administer a plan that is estimated to save the taxpayers up to $600 million during the rest of this fiscal year, then I can guarantee that a lot more than 20 percent will start believing we deserve anything that happens. And their congressional representatives will be listening to them, you can count on that.

We're all backed into a corner by this legislation. If this assessment doesn't work—if it fails to cut production—then we must be ready to present Congress with a plan that will work. To do this, we have to get together.

You're all aware of what the administration plan was all about. We proposed to give the secretary of agriculture authority to set the support at whatever level was needed to start showing results. You in the industry didn't buy it. Congress didn't buy it either. Instead, Congress emerged with its own plan. It had some kinship to the industry's proposal—but evidently not enough resemblance for you to buy it, at least not now. Frankly, I think the administration plan is looking better all the time.

I hear various stories that the industry is contemplating presenting new dairy legislation to the Congress. To help set the stage for this, you should take a close look at some of the mistaken arguments—the myths—that I keep hearing about the dairy situation.

Myth Number 1. A decrease in the support price will lead to more milk production.

This myth is based on the fact that a minimum level of cash flow is needed to cover fixed expenses. That is not the way it works. If it did—we could have a system under which if we needed more milk, we would just lower the price. Sure, a few may increase, but the way to reduce the flow of milk is to change what caused it to flow in the first place. We have to lower the support price.

If a decrease in the support price leads to more production, then I suppose the argument would be that an increase in the level would lead to less production. I can't imagine that many believe this is so.

Each producer will have to take the action that will benefit him or her most. But over time, those actions have to generate a profit. If producers aren't making money when they expand production, they will have to cut back—or eventually go broke.

Myth Number 2. Lower price supports affect small dairy producers more than the large.

Actually, the effect of reduced dairy price supports depends more on a producer's financial situation than on the size of the operation. If he or she figured that inflation and high supports would cover high interest on a large debt—well, he or she is in trouble.

The truth about small dairy operations is that their numbers have been steadily declining—at least since World War II—regardless of whether the price support rate was high or low. Even during the late

big increase in price supports, small operations of less than 30 cows declined by nearly 50,000, or about 20 percent.

Myth Number 3. Imports of dairy products have caused the problem.

The fact is that cheese imports, particularly "specialty-type" cheeses, may have helped by whetting the consumer's taste for our own product. Actually, cheese imports have declined slightly in 1980 and '81, when they averaged 1.9 billion pounds milk equivalent. In 1978 and '79, they averaged two billion pounds.

Another phantom culprit is casein. Although casein may replace some domestic skim milk solids, import controls would make little difference in government purchases of nonfat dry milk. Other lower-priced substitutes for milk solids, such as soy-based proteins, would likely fill the gap. While we are concerned about casein that is imported, no one should believe that to reduce casein imports will solve the problem.

Think about this—our total dairy imports amount to only about 2.4 billion pounds milk equivalent, compared with our annual milk output of over 137 billion pounds.

Myth Number 4. Only those regions which produce surplus dairy products and sell to the government are the problem, and they should bear the adjustment cost.

Actually, since government supports the price of all milk, it's only logical that the largest purchases are made in the areas of highest production and manufacturing.

Milk and dairy products move in a single national market, unlike the 1930's and '40s when markets were insulated. There is absolutely no justification for singling out one region to blame. Just because some producers are located near large consumer centers doesn't mean they do not contribute to the problem.

Myth Number 5. We can solve this problem by selling in overseas markets, or we could give more surplus products away domestically.

Let's be serious about this. As of Nov. 12, CCC had over 400 million pounds of butter, almost 800 million pounds of cheese and more than 1.2 billion pounds of nonfat dry milk. These stocks represent about 20 percent of annual world butter trade, nearly 50 percent of

cheese trade and over 60 percent of nonfat dry milk trade. These sales could cause major disruptions in the world market.

There's been talk, of course, about putting some of these stocks on the world market if the European Community continues to capture U.S. agriculture's markets with export subsidies. And we may do this.

But even if this were to happen, it would be wrong to view it as a single solution to our problem. I have no intention of institutionalizing our dairy subsidies for sale on the world market. We might as well not even think about that.

On the domestic front, we have made enormous amounts of dairy products available to schools and institutions, and we have donated dairy products to needy persons. So far we have delivered more than 135 million of the 195 million pounds of cheese ordered by states, and 8.2 million of the 42 million pounds of butter ordered.

Today, I want to announce that we are extending our distribution to the needy until December 1983. We will be releasing another 280 million pounds of cheese and 75 million pounds of butter. What all this means is that so far, the government has earmarked nearly $1 billion worth of products for distribution to the needy. We are also working to implement a distribution program to the needy abroad.

Do you want to know something? It's not enough. Not enough to come near solving our problem. This next year we expect to purchase 14 billion pounds of milk equivalent—about twice as much as we will likely donate in all of our programs.

And expanding the give away to people other than the needy is also not the answer. Over-the-counter sales would decrease, the government would have to buy more and we'd have nothing more than a stock rotation.

Myth Number 6. To limit supplies, the government could pay producers to cull cows.

It's probably true that it would be cheaper, in the short run, for us to purchase a cow than to purchase a year's output from that cow. But, it would be largely ineffective and disastrous in the long run.

In 1982 and '83, we estimate that about four million cows will be culled anyway, and about one million more would have to be culled to bring supply into line. How could a purchase program be targeted at those one million cows—without subsidizing those that would be culled

anyway. Besides—producers would eventually replace them, so, the program would have no long-term effect. We have many replacement heifers on hand, and these heifers would be better producers than the cows that you culled.

Myth Number 7. Instituting a base plan and incentive program is a simple solution.

Let's look at that. Given the large production increases of the past three years, there is really no equitable way to establish individual bases. Establishing bases on current levels would penalize producers who have not increased production. If bases were established on some previous production period, those that have recently expanded would be penalized. There would be problems with new producers coming in, producers leaving, and issues relating to land tenure, inheritance and taxes.

Such a plan has other problems:

— Arbitrary reduction could force some to operate below the most efficient levels.

— Regional production patterns would be frozen in place.

— Production bases would take on a value of their own, equivalent to a cash gift to existing producers.

— And finally, it would be difficult to remove such a plan, once in place.

Setting all of these myths aside, I'm convinced that the solution is out there, and sooner or later we'll have to grab at it. This assessment could very possibly be only the beginning of what we might expect from Congress if we fail to approach them with a clear definition of what we want.

It's not going to be easy for awhile—we all know that—but, it's not an easy situation. We must face the fact that there is no easy way.

Now, let me expand on a point I made earlier. As I said, some people are calling this assessement my plan. Some are even saying that my department and I are against the dairy industry. But, the fact is that for the last two years we have probably spent more staff-hours on the dairy industry than any other commodity. We have worked to bring about changes that would save the program—changes that would be fair to the producers.

We went to Congress with a program, but the industry was not behind us. And without the industry support, we didn't get the support from Congress. Instead, we got this assessment that I am forced to implement beginning tomorrow.

Dec. 1 is already upon us. There is nothing we can do about it. But let me tell you something—if you don't like what is coming April 1, then we have to start working together now because time is of the essence. April 1 is really just around the corner when you consider the tight time frame in which Congress works.

My door has been and will remain open. My staff is willing to work with you. We need a spirit of cooperation if we're going to be able to tackle this, the most serious problem that the industry has ever faced. I hope that we all can rise to the challenge.

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**Remarks prepared for delivery by Secretary of Agriculture John R. Block at the Organization for Economic Cooperation and Development Committee for Agriculture Ministerial Meeting, Paris, France, Dec. 2, 1982**

The secretariat has posed some important questions which need to be discussed, and I will address them briefly.

But first, I want to comment on the OECD Council of Ministers' decision last May, directing that studies be undertaken of three aspects of international agricultural trade. They are:

1. To what extent would marginal adjustments in domestic policies help countries reduce protectionism for specific commodities?
2. Which national policies impact significantly on agricultural trade?
3. What steps would improve the functioning of international agricultural markets?

Those questions are at the heart of the most important agricultural trade issues that OECD countries face. The United States believes that finding the answers should have the highest priority of any work in agriculture now being undertaken by the OECD. The earlier study by

OECD on the problems of agricultural trade highlighted the link between domestic policies and international trade. It is highly appropriate that the OECD should now follow up on that study.

The OECD is uniquely fitted to make a contribution in this area of study. First, the OECD is perhaps the least political of any of the international organizations. Second, its high caliber, professional staff is equipped to do the job. And third, its work need not be conducted in a negotiating atmosphere.

It is imperative that OECD turn its resources in this direction. The secretariat is drawing up a comprehensive work plan for these studies, and we believe it is time to get moving. We would expect to see substantial work carried out in 1983.

We feel this could make a substantial contribution to solving our problems.

Another area of great concern to the United States is export subsidies. This is the most important trade issue we face. We feel we must give it attention and the problem must be resolved. We will be discussing it further with our trading partners.

As an example of the magnitude of the problem, members of various commodity groups and organizations are in my office, almost on a daily basis. These groups represent commodities such as poultry, eggs, wheat and soybeans. They tell me it is unfair for them to compete when these products are heavily subsidized by our trading competitors. Representatives of commodity groups show me charts illustrating a precipitous decline in exports of these commodities. At the same time, the charts illustrate a dramatic increase in export sales from countries where the same commodities are subsidized.

I have learned in a phone conversation with my office just a few minutes ago that Congress is moving closer to acting on export subsidies. Unless the problem is confronted, it will be difficult to stop congressional pressure. As you know, I would not be fond of congressional mandates in the area of export subsidies.

With respect to the specific questions raised in the secretariat paper on agricultural trade, the United States views the free market as the path to the most efficient growth of production and trade to meet the world's demands. Most of our trade problems stem from interference with market forces and signals.

I know there is hardly any real free market, but worse problems result when artificially high prices stimulate unneeded and unwanted production. And the contrast to that, in some cases, not so much here where you have artifically low prices that are held down, the end result is under-production. The agricultural industry never realizes its full potential. Neither of those eventualities is the appropriate way to solve the problem.

The low growth, inflation, high interest rates and exchange rate problems cited in the first question have beset the United States as well as other countries. The U.S. has not turned to increased government support and protection for solutions. The United States does have some problems to solve, but I am absolutely intent on being tough and strong in the fight against increased support, including dairy. That's why we provided for an eight percent cut in the dairy support level.

I delivered a major speech to the dairy industry the day before we came here. We laid it on the line to the dairy industry. They are over-producing and we are going to come to grips with it. We as ministers and leaders of our countries must take the bull by the horns and be tough, even in these tough political times. It is one of our most important obligations. In nearly every country of the world, dairy has been heavily supported.

At the same time, the United States cannot easily maintain open markets when most other markets are closed. This is a fundamental reason behind U.S. import policies for dairy products, sugar and beef.

On the export side, too, there is a question of fairness—with whom do producers compete. The United States believes that farmers who can produce and export without government subsidies should not have to face subsidized competition from other governments.

In short, domestic policy objectives should be based on the signals from a free market. Not all of my colleagues share that view. The challenge put to us is. What are the alternatives?

The same free market principles should apply to trade with non-OECD countries. Developing countries hinder their own economic growth by relying too heavily on their special status in the world market. Their ability to expand depends in the long run on their ability to become more competitive.

State-trading countries operate on different principles. It's important to assure that all countries compete for those markets on a fair basis.

Bilateral agreements with state-trading countries have been increasing, and in some cases these agreements may distort international markets. We have some of these agreements also, but I feel they have to be looked at. An investigation of their effect is one of the objectives for the proposed OECD agricultural trade policy studies.

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# News Releases

U.S. Department of Agriculture • Office of Governmental and Public Affairs

## FARM POPULATION TOTALED 5.8 MILLION IN 1981

WASHINGTON, Nov. 26—About one person out of 40, or 2.6 percent of the nation's total population, lived on farms in 1981, according to a joint report released by the U.S. Department of Commerce's Census Bureau and the U.S. Department of Agriculture.

The farm population totaled 5.8 million. This was about 400,000 fewer than the 6.2 million farm residents in 1979, according to Deputy Assistant Secretary of Agriculture J. Dawson Ahalt.

Ahalt said 47 percent of all farm residents lived in the North Central region of the country in 1981. The South, which until 1965 had the largest share of the farm total, ranked second with 34 percent. The West and Northeast contained 13 and 6 percent of all farm residents, respectively, he said.

The U.S. farm population has proportionally more whites, more males, and a higher median age and a higher fertility level than the nonfarm population. Farm residents are also more likely to be married to, and living with, a spouse.

The median income of farm families continues to lag that of nonfarm families. In 1980, the median income of farm families was $15,755, compared with $21,151 for families not living on a farm, Ahalt said.

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## MORE TIMBER SALE EXTENSIONS AUTHORIZED

WASHINGTON, Nov. 26—The U.S. Department of Agriculture's Forest Service today authorized limited extensions for certain national forest timber sales not now covered by previous extension authorized in October 1981.

Forest Service Chief R. Max Peterson said over 250 sales involving 500 million board feet of timber made prior to 1982 would be eligible for the contract relief.

About half the sales eligible for the extension are located in Oregon and Washington. Most of the remainder are in California, states of the Rocky Mountain West and the Southeast.

Peterson said the decision to authorize further extensions was due to the continuing decline in market conditions for lumber and plywood since early 1981. He said purchasers of national forest timber in that time period now are facing "imminent contract defaults on their contracts."

He said lumber price indices have dropped as much as 23 percent since some of these 1981 timber sales were appraised. Lumber and plywood markets were poor at that time, he said, but there was a general expectation that the prices were "bottoming out."

Thus, these sales were not considered for previous extension relief action granted in October 1981.

The new contract extension authorization will apply to certain sales made before Jan. 1, 1982, which expire prior to the end of the 1983 logging season. In the West, this is generally October, and in the South, logging continues throughout the year. With today's decision, contracts may be extended to Dec. 31, 1983.

Peterson said extensions will not be granted on sales which involve significant volumes of rapidly deteriorating salvage timber. If such sales are not completed by their expiration date, he said, they will be immediatley resold so the timber can be taken out before losing all its value for lumber.

Peterson predicted that because of the continued decline in lumber and plywood prices, many such sales will be offered at lower appraised rates than when they were originally offered in 1981. He said the lower stumpage rates should provide sufficient margin in present markets to enable companies to log the salvage with some profit.

Peterson said extension deposits will be required under the new waiver. He said purchasers receiving extensions under this ruling will not be eligible for futher extensions granted under normal extension policy.

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## USDA ANNOUNCES GRADE LOAN RATES FOR TWO MINOR TOBACCOS

WASHINGTON, Nov. 29—The U.S. Department of Agriculture today issued grade loan rates for Kentucky-Tennessee fire-cured, types 22 and 23, and Virginia sun-cured, type 37, tobacco. These rates reflect an average increase of 10.8 percent above 1981.

According to Everett Rank, administrator of USDA's Agricultural Stabilization and Conservation Service, the price support level for these kinds of tobacco remains unchanged from that annnounced by USDA on April 14, 1982.

The No Net Cost Tobacco Program Act of 1982 authorizes USDA to reduce the support rate for any grade of any kind of tobacco which is subject to marketing quotas if it has been determined that supplies of that grade will likely be in excess supply during the marketing year.

Loan stocks for types 22 and 23 have been reduced 44 percent during the past marketing year and currently represent only 9 percent of the total supply of such kinds of tobacco. There are currently no loan stocks of type 37. Since none of these types of tobacco are in excess supply, a reduction in the levels of price support is not warranted.

Rank said the schedule for Kentucky-Tennessee fire-cured tobacco is based on the average level of support of $1.23 per pound. He said grade loan rates will range from 25 cents to $1.87 per pound and that tobacco marketing associations may deduct one cent per pound from the advance paid to producers to help cover overhead costs.

The schedule for Virginia sun-cured tobacco is based on the average level of support of 109.4 cents per pound. Grade loan rates will range from 24 cents to $1.71 per pound. From these rates, the tobacco marketing association may deduct four cents per pound from the advances paid to producers to help cover overhead costs., Rank said.

Further, he said, as a condition of price support eligibility, producers must contribute one cent per pound of tobacco marketed to a No Net Cost Tobacco Account. These accounts are established by associations in accordance with the provisisons of the No Net Cost Tobacco Program of 1982.

Rank said that only the original producer is eligible for price support under the program. He also said that tobacco graded "No-G" (no

grade), "U" (unsound), or scrap will not be accepted as loan collateral under the program.

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## FOOD STAMP FRAUD INDICTMENTS UP 46 PERCENT

WASHINGTON, Nov. 29—Food stamp fraud indictments resulting from U.S. Department of Agriculture investigations totaled 1,170 in fiscal year 1982, a 46 percent increase over the previous year's 799, and nearly three times the 402 obtained in 1980.

USDA Inspector General John Graziano noted the increase today in his semiannual report to Congress. He attributed the gain in indictments to stepped up activity by the Office of the Inspector General and to the higher priority given food stamp cases by the U.S. Department of Justice.

"Cooperation between the departments represents a major effort by the administration to make sure that welfare benefits go to those who need them, not to crooks. Every time a pusher takes food stamps for a fix, stamps that probably were stolen, it amounts to a blow to those who really need stamps," Graziano said.

"Most of those indicted were hardened criminals, not mothers on welfare," he added.

Many were dealers caught illegally exchanging drugs, guns, luxury consumer items and cash for food stamps. Traffickers typically give ten to 50 cents on the dollar for food stamps that are then redeemed at full value through dishonest grocery retailers or phantom stores created for that purpose, Graziano said.

The report tells of ten federal workers arrested last September in Chicago for illegally receiving over $154,000 in food stamps and other welfare benefits; and of the caseworkers in Baltimore and Toledo who fraudulently authorized benefits for ineligible persons.

During the last six months of the fiscal year, the period covered by the report, the USDA inspector general's office completed 1,261 investigations and obtained 1,020 indictments involving USDA programs. Ordinarily, the office has a conviction rate of more than 90 percent of those indicted.

Fines, recoveries, collections, claims and savings from the USDA investigations totaled $13.4 million for the six-month period. There were 574 resolved audits resulting in $39 million in disallowances and claims referred for recovery, and an estimated $296 million in cost avoidances and savings that should result when audit recommendations are implemented.

USDA's inspector general supervises investigations and audits of USDA programs to increase integrity and efficiency and to protect public health and safety. An example of the latter occurred last summer when an investigation led to the indictment in Miami of eight officials and employees of a meat importing firm for subverting USDA inspections by bringing adulterated meat into the country from Central America.

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## USDA ISSUES NOVEMBER SIGNUP REPORT FOR 1983 CROPS

WASHINGTON, Nov. 30—During the current signup for the 1983 farm programs, farmers so far have enrolled 798,000 base acres under the upland cotton program, 14.7 million under the feed grain program and 18.0 million under the wheat program, according to figures released today by the U.S. Department of Agriculture.

Everett Rank, administrator of USDA's Agricultural Stabilization and Conservation Service, said the signup, which continues through March 31, is required before farmers are eligible for program benefits such as commodity loans, target price protection, land diversion payments and the grain reserve.

At the time they sign up, producers may request an advance of 50 percent of their projected deficiency payments and 50 percent of their land diversion payments.

Base acreage on which advance deficiency payments have been requested, to date, totals 548,000 acres under the upland cotton program, 10.4 million under the feed grain program and 13.5 million under the wheat program.

Base acreage on which advance diversion payments have been requested totals 11.0 million acres under the feed grain program and 13.8 million under the wheat program. Cotton intended diverted acreage on which advance diversion payments have been requested totals 28,000 acres.

Farmers who sign up to participate in the upland cotton, feed grain and wheat programs agree to reduce their base acreage of these commodities by at least 20 percent. The acreage taken out of production will be devoted to a conservation use, Rank said.

The next signup report will be issued the first week of January.

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## USDA ANNOUNCES FLUE-CURED TOBACCO MARKETING QUOTA, SETS REFERENDUM

WASHINGTON, Nov. 30—The 1983 flue-cured tobacco national marketing quota will be 910 million pounds, 10 percent below the 1982 quota, Everett Rank, administrator of the U.S. Department of Agriculture's Agricultural Stabilization and Conservation Service, announced today.

Rank said the national acreage allotment will be set at 457,516 acres, 16.3 percent below 1982's, because the No Net Cost Tobacco Program Act of 1982 requires the national average yield goal be changed to 1,989 pounds per acre. Previously, the goal was 1,854 pounds per acre, he said.

Rank said is was necessary to reduce the 1983 quota so that the reduction in supplies would come about in an orderly manner.

Supplies of flue-cured tobacco—the quantity on hand at the start of the 1982 marketing year plus 1982 marketings—are about 585 million pounds in excess of the reserve supply level, Rank said. The reserve supply level is the quantity considered adequate to meet estimated domestic use and export needs. Current legislation provides for reducing the quota when supplies exceed the reserve supply level, he said.

Changes in allotments on individual farms may differ from that of the national acreage allotment, because the 1982 Act also authorized

that changes take into account the yield history of the county in which a farm is located.

Rank also announced flue-cured tobacco growers will vote Dec. 16 in a referendum conducted by USDA. The referendum will determine whether acreage - poundage quotas and price support will continue for tobacco crops for the next three years. Quotas and price supports will remain in effect for the 1983 flue-cured crop, if two-thirds or more of the producers vote "yes."

Legislation provides for a flue-cured tobacco referendum within 30 days of the quota determinations in the last year of each three-year period in which the marketing quotas are in effect. In the 1979 referendum, 97.7 percent of the 115,925 flue-cured tobacco growers voting favored marketing quotas for the 1980, 1981 and 1982 crops.

Flue-cured tobacco is grown in Alabama, Florida, Georgia, North Carolina, South Carolina and Virginia.

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## USDA AUTHORIZES SALE OF FLUE-CURED LOAN TOBACCO TO FOREIGN BUYERS

WASHINGTON, Nov. 30—Foreign tobacco buyers now will be allowed to purchase U.S. flue-cured tobacco that has been placed under government price support loan, Deputy Secretary of Agriculture Richard E. Lyng said today.

Lyng said under the change, the Flue-Cured Tobacco Cooperative Stabilization Corporation—responsible for handling flue-cured tobacco placed under loan with the U.S. Department of Agriculture's Commodity Credit Corporation—will for the first time be permitted to make direct sales to foreign buyers.

The No Net Cost Tobacco Program Act of 1982 mandates that any future losses, either of principal or interest, must be borne by the tobacco growers. Lyng said the change announced today "may reduce such losses by providing an additional option for selling the cooperative's tobacco stocks for export."

Currently the tobacco cooperative has under loan to CCC 653 million pounds of flue-cured tobacco with a loan balance of $1.03 billion.

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## DISTRIBUTION OF SURPLUS DAIRY FOODS TO THE NEEDY EXTENDED

DETROIT, Nov. 30—The distribution of surplus cheese and butter to needy people will continue through December 1983, Secretary of Agriculture John R. Block announced today.

Block said the U. S. Department of Agriculture has released an additional 280 million pounds of process cheese and 75 million pounds of surplus butter for distribution. That brings to nearly $1 billion the value of government surplus dairy products earmarked for use by needy households in the nationwide program which began last December.

USDA has made a total of 500 million pounds of cheese and 125 million pounds of butter available to states. USDA pays the cost of transporting the cheese and butter from federal storage facilities to warehouses in the states. States then are responsible for arranging distribution to food banks and other local charitable organizations which give the products to needy people.

"States and local groups have done a good job of delivering the surplus cheese and butter to an estimated 10 million people nationwide," Block said. "We are pleased that the combined federal, state and local effort has worked so well to enable these products to be used by needy households."

While the cheese distribution has been underway almost a year, the butter distribution was announced in May and deliveries began in August. So far, USDA has delivered to states more than 135 million pounds of cheese and 8.2 million pounds of butter. States have ordered nearly 195 million pounds of cheese and 42 million pounds of butter.

The dairy products are bought under the federal dairy price support program. Currently, USDA is holding in uncommitted inventory about

800 million pounds of cheese valued at $1.2 billion and about 400 million pounds of butter worth more than $640 million.

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## UNDER SECRETARY LODWICK DISCUSSES FARM TRADE WITH GREEK OFFICIALS

ATHENS, GREECE, Dec. 1—Under Secretary of Agriculture Seeley G. Lodwick today concluded three days of talks with Greek officials on agricultural trade matters. He also met with importers and trade leaders.

Lodwick said the United States values Greece as an agricultural trading partner. "We hope our trade relationship will continue to expand even after Greece's accession to the European Community," Lodwick stated.

Lodwick said Greece looks to America for substantial quantities of corn, wheat and soybeans. In fiscal 1982, U.S. agricultural exports to Greece totaled $204 million. U.S. imports of Greek agricultural products amounted to $72 million, chiefly olive oil and cheese.

"After my conversations with government and industry leaders, I am convinced that we need to trade more freely in agricultural products," he said, "One of the purposes of my trip here was to become personally acquainted with the governmental and agricultural leaders of this country.

"Once you establish personal relationships," he added, "it is easier to work together to develop trade, share technology and smooth out problems," he said.

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## RURAL HOMEMAKING EXHIBIT ON DISPLAY

BELTSVILLE, Md., Dec. 1—An exhibit entitled "Rural American Homemaking" is on display at the U.S. Department of Agriculture's National Agricultural Library here.

The exhibit, which will be on display through Jan. 21, shows examples of housekeeping and homemaking traditions from the 1800's to the 1940's.

Historically, the rural homemaker lacked many of the modern conveniences enjoyed by the homemaker in the city. The exhibit shows how rural homemakers relied on their creative ability to make family life more comfortable and efficient.

"Today, as in the past, homemakers strive to bring to their tasks of housekeeping many of the qualities that make for a successful executive in the business world," said Richard A. Farley, director of the library.

Housekeeping methods today bear little resemblance to the old tasks, said Farley. This display depicts the challenge of rural homemaking and includes volumes from the library's collection of the period on handicrafts, helpful hints, cookbooks and household management guides.

Enhancing the collection are many artifacts, including handmade quilts, depression glass, kitchen gadgets, decorative kerosene lamps, sewing baskets and many other household items.

The National Agricultural Library is located off the Washington Capital Beltway (Exit 25-A, North) and U.S. Route 1 in Beltsville, Md., and is open to the public from 8 a.m. to 4:30 p.m. Monday through Friday.

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## CCC LOAN INTEREST RATE LOWERED TO 9-1/8 PERCENT

WASHINGTON, Dec. 1—Commodity and farm storage loans disbursed in December by the U.S. Department of Agriculture's Commodity Credit Corporation will carry a 9-1/8 percent interest rate, according to CCC Executive Vice President Everett Rank.

The new rate, down from 9-3/4 percent, reflects the interest rate charged CCC by the U.S. Treasury in December, Rank said.

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## BLOCK TO ATTEND EUROPEAN COMMUNITY MINISTERIAL MEETING

WASHINGTON, Dec. 4—Secretary of Agriculture John R. Block will meet with representatives of the European Community on Dec. 10-11 in Brussels to discuss agricultural trade policy between the United States and the EC.

The Brussels meeting is a continuation of discussions between the United States and the EC in efforts to expand trade, and follows a meeting of the General Agreement on Tariffs and Trade (GATT) held last month in Geneva.

The U.S. delegation to the Brussels meeting also will include Secretary of State Shultz, U.S. Trade Representative Brock and other Cabinet members.

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## USDA DROPS DUAL REPORTING ON OBSOLETE MEAT AND POULTRY LABELS

WASHINGTON, Dec. 1—Starting Jan. 3, The U.S. Department of Agriculture will no longer require meat and poultry processors to send a separate notice to Washington headquarters when their product labels become obsolete.

"Since meat and poultry plant managers already inform our on-site inspectors when labels become outdated, there is no reason why they should also have to formally notify Washington," said Donald L. Houston, administrator of USDA's Food Safety and Inspection Service.

"This rule—which will save time and money for both industry and government—is just a simple housekeeping change to avoid duplication of effort," Houston said.

The rule will not affect USDA's record-keeping practices on obsolete meat and poultry labels. USDA will continue to maintain its micro-film archives of obsolete labels with accompanying documentation, including product formulas, Houston said.

The nine industry comments received on the new rule, first proposed March 5, were all favorable.

The full text of the new rule is scheduled to be published in the Dec. 2 Federal Register.

Under the Federal Meat Inspection Act and the Poultry Products Inspection Act, the Food Safety and Inspection Service is responsible for approving meat and poultry labels for accuracy and truthfulness.

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## FINAL SHARES OF 1982 NATIONAL FOREST REVENUES PAID

WASHINGTON, Dec. 1—More than $133 million was paid to 40 states and Puerto Rico as their shares of national forest receipts for fiscal year 1982, Secretary of Agriculture John R. Block said today.

By law, 25 percent of national forest system revenues are returned to the states where the lands are located and are to be used for schools and roads. Most of the remainder goes to the U.S. Treasury.

An interim payment of $99 million, based on estimated revenues, was paid Oct. 1. Checks with the final payment of $34 million were mailed today. Actual fiscal year 1982 revenues from national forests totaled $530 million, or about $5 million more than was estimated in October.

Block said the checks represent 25 percent of the revenues collected by the U.S. Department of Agriculture's Forest Service from timber sales, grazing, recreation, mineral and other land use charges on 186 million acres of national forest land. They do not include 25 percent of 1982 national grassland revenues. Those payments are based on calendar year 1982 receipts and will be made in March 1983.

Oregon will receive the largest national forest payment in 1982—$46.8 million. California will receive $18.9 million and Washington, $18.1 million.

Following are the states and their fiscal 1982 national forest payments:

**Summary of Payments to States from National Forest Receipts Fiscal Year 1982**

| State | 1982 Total |
|---|---|
| Alabama | $1,243,261 |
| Alaska | 5,430,372 |
| Arizona | 2,239,423 |
| Arkansas | 2,413,838 |
| California | 18,930,649 |
| Colorado | 1,725,118 |
| Florida | 1,956,376 |
| Georgia | 707,413 |
| Idaho | 4,933,489 |
| Illinois | 141,867 |
| Indiana | 155,719 |
| Kentucky | 271,505 |
| Louisiana | 2,211,352 |
| Maine | 20,155 |
| Michigan | 891,803 |
| Minnesota | 1,263,607 |
| Mississippi | 5,395,693 |
| Missouri | 1,842,518 |
| Montana | 4,566,283 |
| Nebraska | 50,993 |
| Nevada | 278,992 |
| New Hampshire | 300,798 |
| New Mexico | 1,078,361 |
| North Carolina | 771,117 |
| North Dakota | 68 |
| Ohio | 89,549 |
| Oklahoma | 280,025 |
| Oregon | 46,851,495 |
| Pennsylvania | 1,091,565 |
| South Carolina | 3,278,844 |

**Summary of Payments to States from National Forest Receipts Fiscal Year 1982—Continued**

| State | 1982 Total |
|---|---|
| South Dakota | 270,204 |
| Tennessee | 381,011 |
| Texas | 1,519,025 |
| Utah | 676,114 |
| Vermont | 110,245 |
| Virginia | 449,340 |
| Washington | 18,108,430 |
| West Virginia | 214,997 |
| Wisconsin | 512,581 |
| Wyoming | 659,614 |
| Puerto Rico | 13,516 |
| Total | $133,327,325 |

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## COMPUTERS HELP FIGHT FRAUD IN THE FOOD STAMP PROGRAM

WASHINGTON, Dec. 1—After January 1, states must match reported income of food stamp applicants against other wage data to verify information on the food stamp application, a U.S. Department of Agriculture official said today.

On that date, all states will have a wage matching system to screen persons incorrectly reporting their income to receive food stamps.

Incorrect reporting of wages, assets and resources is a significant area of abuse in the food stamp program, according to Mary C. Jarratt, USDA assistant secretary for food and consumer services. Some people inaccurately report their incomes to qualify for food stamp benefits, she said.

To counter this, USDA recently issued rules requiring all states to match the wages of applicants and participants with Social Security Administration records and/or unemployment compensation records.

Many states already are involved in some form of wage matching. Some states match income information provided on food stamp applications against their own state and federal employee records as well as welfare and revenue records. Other states match with workman's compensation, bank accounts, hospital or state university information to verify information on food stamp and other public assistance applications.

Wage matching has been used successfully in several states. In one North Carolina county, a computerized match of wages reported on food stamp applications against employer wage records showed that 574 food stamp recipients received more benefits than they were entitled to. State officials estimate that the recipients—10 percent of the county caseload—got about $300,000 in overpayments during a two-year period.

In New Hampshire, a wage match of 800 food stamp recipients found 160 households receiving overpayments totaling $68,000. Forty-four cases were referred to the state's special investigative unit for possible fraud charges.

Massachusetts recently matched its public assistance lists with a list of depositors in 23 banks and found one food stamp recipient with $89,000 tucked away in several bank accounts.

According to Jarratt, wage matching in the food stamp program has three major benefits. "It is an aid to determining food stamp eligibility, helps eliminate fraud and is a strong deterrent to participants and applicants who may consider reporting erroneous information to caseworkers."

In 1980, legislation passed by Congress gave states permission to gain access to Social Security Administration data on food stamp participants' wages and other income if the state opted to use wage matching to deter fraud and abuse in the program.

Social security data is useful in identifying overpayments and for providing information in fraud investigations. Jarratt said the data can serve as an indicator of a household's employment pattern and is the best source for interstate and self employment wage data.

A 1981 federal law includes a stronger provision. It requires states to match food stamp participants' wage data every three months with unemployment compensation agencies, and/or semiannually with social

security data. States are required to perform a wage match of all household members.

States wishing to computerize wage matching, for more efficient and cost effective systems, may be eligible for 75 percent funding from USDA to design, develop and/or install computer systems under one of the initiatives to improve food stamp program management. States must have their wage match systems in place by Jan. 1, 1983.

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## USDA PROPOSES REVISING GRADE STANDARDS FOR FROZEN LEAFY GREENS

WASHINGTON, Dec. 1—The U.S. Department of Agriculture today proposed changes in the U.S. grade standards for frozen leafy greens to bring them into line with current marketing practices.

Donald Kuryloski, a marketing official with USDA's Agricultural Marketing Service, said USDA developed the proposal at the request of the frozen vegetable industry. He said USDA is asking for public comment on the proposal by Jan. 31.

Currently, separate grade standards are in effect for frozen spinach and other types of frozen leafy greens. Under the proposal, the two standards would be combined. Kuryloski said separate requirements for tenderness and texture of leaves and stems would be established to take into account the differences in varietal types.

The proposal would provide allowances for damage to leaves caused by automated packing of leafy greens.

"The current standards have been in effect since leafy greens were packed by hand," Kuryloski said. "Greens can be processed more efficiently using machinery, but some cosmetic damage does occur. However, this does not affect the eating quality or nutritional value of the product."

The proposal also incorporates the attributes concept for grading to replace the current system of numerical scoring of quality factors. The attributes concept classifies quality defects into the categories of minor, major, severe and critical. The number of defects in individual samples

samples can not exceed specified limits, in each of the categories, for each grade.

To simplify the grade nomenclature, USDA proposes to eliminate the optional use of "U.S. Fancy" for Grade A and "U.S. Extra Standard" for Grade B.

Written comments should be sent in duplicate to the Hearing Clerk, USDA, rm. 1077-S, Washington, D.C. 20250, no later than Jan. 31.

The Agricultural Marketing Service establishes grade standards and provides official grading for many food products. Use of the grading services is voluntary and paid for by the user.

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## USDA CHANGES GRAIN INSPECTION FEES JAN. 1

WASHINGTON, Dec. 1—Effective Jan. 1, the U.S. Department of Agriculture will increase some official grain inspection and weighing fees, decrease some supervision fees and alter the assessment method of certain fees.

Fees assessed to delegated and designated official agencies for USDA's Federal Grain Inspection Service supervision will include these changes:

— Truck inspection fees will go from $1 to 75 cents;

— Protein reinspection fees will go from 75 to 25 cents; and

— "Factor only" fees will be limited to two factors; more than two factors will be assessed the full carrier fee.

Fees for original inspection, official—Class X—weighing, and supervision of weighing—Class Y—services in the U.S. and Canada will increase, ranging from 6 to 28 percent. Examples are:

— Hourly fees for original inspection services under contract in the U.S. during regular workdays will go from $18.60 to $21.80 and for non-regular-night, weekend and holiday—workdays, from $22 to $25.20. In Canada, hourly fees under contract will increase from $24.40 to $26.80 for regular workdays and from $28.40 to $31.20 for non-regular workdays.

— Hourly fees for official—Class X—weighing services under contract in the U.S. during regular workdays will go from $20.60 to

$21.80. In Canada, hourly fees under contract will increase irom $24.40 to $26.80 for regular workdays.

Appeal and reinspection fees will increase and be assessed each time a reinspection or appeal is performed, regardless of a material error determination.

In addition, separate fees will be assessed to cover travel costs when special services, reinspection or appeal inspection services are performed more than 20 miles from the USDA field office location or assigned duty station.

Federal Grain Inspection Service Administrator Kenneth A. Gilles said, "Revenue has not adequately covered the costs of providing most of the official inspection services despite every effort made to cut these costs. USDA plans further cost reductions for fiscal year 1983, and we will continue to monitor costs and revenues so that fees can be kept at the minimum level necessary to assure effective service."

The new fee schedule is scheduled to be published in the Dec. 2 Federal Register.

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## USDA RAISES RICE INSPECTION FEES BEGINNING JAN. 1

WASHINGTON, Dec. 1—The U.S. Department of Agriculture will increase fees for official rice inspection services beginning Jan. 1.

Examples of the new fees, which increased an average of 18 percent, are:

— Contract inspection service hourly rates: daytime, weekday hours, will go from $21.60 to $25.60; nights and weekends, from $26 to $30.80; and holidays, from $30.60 to $36.20.

— Non-contract hourly inspection rates. daytime, weekday services will go from $28.80 to $34; nights and weekends, from $33 to $39; and holidays, from $37.60 to $44.40.

"USDA made a major effort to reduce expenses before considering fee increases, but there is not enough revenue to cover the costs of providing the service," said Kenneth A. Gilles, administrator of USDA's Federal Grain Inspection Service.

By law, USDA is required to make the rice inspection services available to applicants and to charge fees that, as nearly as possible, cover costs of providing the services. Rice inspection is not a mandatory requirement for the applicant.

Details of the new fee schedule are scheduled to be published in the Dec. 2 Federal Register.

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## USDA CHANGES GRAIN SAMPLING RULE

WASHINGTON, Dec. 1—A U.S. Department of Agriculture rule requiring diverter-type sampling for certain official grain inspections will not become effective Jan. 1 as planned.

The rule would have applied to all bulk or sacked grain shipped domestically by barge or by truck and rail for export, and all export sacked grain shipped by cargo carrier, according to Kenneth A. Gilles, administrator of USDA's Federal Grain Inspection Service.

"The rule was delayed one year at the request of the industry while USDA reevaluated the sampling requirement," Gilles said. "This allowed industry the option of using either the diverter-type sampler or other approved sampling methods until a final ruling on the matter.

"Based on the review and comments received from the industry, USDA has determined there is no need to limit the sampling method to the diverter-type sampler," Gilles said.

Notice of the final rule is schedule to be published in the Dec. 1 Federal Register.

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## SPINED SOLDIER BUG MAY RISE IN RANKS OF 'GOOD GUY' INSECTS

TORONTO, Dec. 1—As a predator of insect pests, the spined soldier bug has played second fiddle to the praying mantis and ladybird beetle, but a new sex attractant may put the soldier bug in the limelight.

A U.S. Department of Agriculture scientist, Jeffrey R. Aldrich, of the USDA's Agricultural Research Service at Beltsville, Md., has formulated the first synthetic sex pheromone that attracts an insect predator.

That predator is the soldier bug.

Aldrich, an insect physiologist, today outlined the potential of the soldier bug and the sex attractant as a biological insect control at a combined meeting in Toronto of the Entomological Societies of America, Canada and Ontario.

He stressed that further studies in the field are needed to be sure the new attractant works on a wide scale.

On farm fields and gardens, in Aldrich's scenario, the soldier bug would prey on insect pests as it usually does—attracted in larger numbers by the pheromone.

Normally, this half-inch-long North American native quietly feeds on more than a hundred other insects—including some of the most devastating pests, like the fall armyworm, the cotton bollworm (alias corn earworm) and the gypsy moth.

It's the bug's lack of discrimination in its eating habits, however, that has kept it from being drafted for active service in the perennial war against crop pests.

Aldrich's new chemical attractant would mobilize the soldier bug in infested gardens or fields. He predicted that gardeners or farmers could treat infested areas with the attractant and thereby lure the bugs to feast on pest insects.

Aldrich used the synthesized attractant to trap more than 1300 male and female spined soldier bugs throughout the summer of 1982. The attractant is a blend of five relatively simple compounds, all of which are commercially available. It is easy and inexpensive to make, he said.

While there are over 200 man-made pheromones for a variety of pests, Aldrich said, the spined soldier bug pheromone is the first for any of the called 'true bugs' comprising the insect order Hemiptera. Among the Hemiptera insects are predators such as the soldier bug.

Aldrich said there is an important distinction between the use of pheromones of pests and predators.

"Pheromonal control of pest insects has a delayed effect that depends on killing the adult insect or preventing them from

reproducing. By contrast, using pheromones to increase the predator population in an infested field or garden would have an immediate impact.

In the case of the spined soldier bug, Aldrich said, the impact would be on the economically important stage of the pest population. Although the bug is not very choosy in its selection of insect species, it does prefer the larvae, or caterpillar, which generally are the most damaging to plants.

Aldrich proposed that the new pheromone could be used in several other ways. Spined soldier bugs could be lured away from a pest-infested field before insecticides are sprayed, thereby rescuing the natural population of bugs so that they can combat a subsequent buildup of pest insects.

He also found the pheromone attracted a much greater number of flies to the bug. The pheromone might be used to lure only the flies into an specially designed "death trap," Aldrich said, again to increase the population of soldier bugs.

One of the fly species also parasitizes pest insects. Aldrich said the pheromone could draw both soldier bugs and parasitic flies to an infested field for a two-pronged attack against crop-eating pests.

Another potential use for the pheromone, he said, involves germ warfare—trapping soldier bugs, contaminating them with a disease organism that infects a specific pest, then releasing them to spread the disease in pest-infested areas.

Such manipulation of insect predators and parasites is a novel approach, Aldrich said, "and may be a harbinger of our future battle strategies in the never-ending conflict between man and insects."

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## USDA SCHEDULES PUBLIC HEARING IN TEXAS ON CITRUS IMPORTS FROM MEXICO

WASHINGTON, Dec. 1—The U.S. Department of Agriculture will hold a public hearing Dec. 7 in San Antonio, Texas, on allowing certain citrus—Persian limes and lemons—to be imported from Mexico.

The hearing will begin at 10 a.m. in the Conquistador Room at the La Quinta Airport East Motel, 333 Northeast Loop 410, in San Antonio.

According to Harvey L. Ford, deputy administrator of USDA's Animal and Plant Health Inspection Service, USDA halted the import of all Mexican citrus in July, when a mild strain of citrus canker—a normally serious citrus disease not found in the United States—was reported in the Mexican state of Colima.

"We reopened the border to grapefruit, oranges and tangerines after establishing treatment, quarantine, certification and other requirements," Ford said.

"Now that we know more about this strain of the disease and where it occurs in Mexico, and since the Mexican government has now taken measures to prevent the spread of the disease, we believe we can also allow entry of Persian limes and lemons without risk," Ford said.

"Most Persian limes grown in Mexico are from the state of Veracruz, which is far from Colima," he said, "and few lemons are grown in Mexico for export."

Ford said that no citrus from Colima or other infested areas in Mexico may presently enter the United States.

According to Ford, the Dec. 7 hearing—which was originally intended to receive comments on proposed final regulations—has been expanded to also receive comments on the interim regulations published by USDA Nov. 17. The interim regulations were to have become effective immediately, but a Florida federal court judge issued an order staying those involving importing limes and lemons from Mexico.

The court order extends the ban on importations and is to remain in effect until at least five days following the date that either an interim rule or a final rule is established by USDA after a public meeting.

The court order was in response to a suit brought by Florida lime growers. They asked that the court require USDA to hold a public

hearing prior to making any change in the import ban on limes and lemons from Mexico.

Written comments may be sent until Jan. 17 to: Thomas Lanier, APHIS, USDA, Rm. 643 Federal Bldg., 6505 Belcrest Rd., Hyattsville, Md. 20782.

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## USDA RELEASES COST OF FOOD AT HOME FOR OCTOBER

WASHINGTON, Dec. 2—The U.S. Department of Agriculture today released its monthly update of the weekly cost of food at home for October 1982.

USDA's Human Nutrition Information Service computes the cost of food at home for four food plans—thrifty, low-cost, moderate-cost and liberal.

Esther Winterfeldt, administrator of the Human Nutrition Information Service, said the plans consist of foods that provide well-balanced meals and snacks for a week.

USDA assumes all food is bought at the store and prepared at home. Costs do not include alcoholic beverages, pet food, soap, cigarettes, paper goods and other nonfood items bought at the store.

"USDA costs are only guides to spending," Winterfeldt said. "Families may spend more or less, depending on such factors as where they buy their food, how carefully they plan and buy, whether some food is produced at home, what foods the family likes and how much food is prepared at home.

"Most families will find the moderate-cost or low-cost plan suitable," she said. "The thrifty plan, which USDA uses to set the coupon allotment in the food stamp program, is for families with less money for food. Families with unlimited resources might use the liberal plan."

Details of the four food plans are described in Home and Garden Bulletin No. 94, "Family Food Budgeting. . .for Good Meals and Good Nutrition," which may be purchased for $2.50 each from the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.

**Cost Of Food At Home For A Week In October 1982**

| | Plans | | | |
|---|---|---|---|---|
| | Thrifty | Low-cost | Moderate-cost | Liberal |
| Families: | | | | |
| Family of 2 (20-54 years) | $33.90 | $43.70 | $54.70 | $65.60 |
| Family of 2 (55 years and over) | 30.40 | 38.90 | 48.20 | 57.40 |
| Family of 4 with preschool children | 48.00 | 61.20 | 76.30 | 91.30 |
| Family of 4 with elementary school children | 57.90 | 74.10 | 92.70 | 111.10 |
| Individuals in four-person families: | | | | |
| Children: | | | | |
| 1-2 years | 7.80 | 9.80 | 12.10 | 14.30 |
| 3-5 years | 9.40 | 11.70 | 14.50 | 17.40 |
| 6-8 years | 12.00 | 15.30 | 19.10 | 22.90 |
| 9-11 years | 15.10 | 19.10 | 23.90 | 28.60 |
| Females: | | | | |
| 12-19 years | 14.20 | 18.10 | 22.40 | 26.70 |
| 20-54 years | 13.80 | 17.70 | 22.00 | 26.30 |
| 55 and over | 12.50 | 16.00 | 19.70 | 23.40 |
| Males: | | | | |
| 12-14 years | 16.10 | 20.30 | 25.40 | 30.30 |
| 15-19 years | 17.60 | 22.40 | 28.00 | 33.70 |
| 20-54 years | 17.00 | 22.00 | 27.70 | 33.30 |
| 55 and over | 15.10 | 19.40 | 24.10 | 28.80 |

To estimate your family food costs

— For members eating all meals at home—or carried from home—use the amounts shown.

— For members eating some meals out, deduct 5 percent from the amount shown for each meal not eaten at home. Thus, for a person eating lunch out five days a week, subtract 25 percent, or one-fourth the cost shown.

— For guests, add 5 percent of the amount shown for the proper age group for each meal.

Costs in the second part of the chart are for individuals in fourperson families. If your family has more or less than four, total the "individual" figures and make these adjustments, because larger families tend to buy and use food more economically than smaller ones:

— For a one-person family, add 20 percent.
— For a two-person family, add 10 percent.
— For a three-person family, add 5 percent.
— For a family of five or six persons, subtract 5 percent.
— For a family of seven or more, subtract 10 percent.

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## 1982-CROP WHEAT, BARLEY PRODUCERS TO RECEIVE DEFICIENCY PAYMENTS

WASHINGTON, Dec. 3—Eligible wheat farmers soon will receive an estimated $475 million in deficiency payments on their 1982 crop, while barley farmers will get about $60 million, according to Everett Rank, administrator of the U.S. Department of Agriculture's Agricultural Stabilization and Conservation Service.

Rank said deficiency payments are required under the 1982 wheat and barley programs because average market prices received by farmers during the first five months (June through October) of the marketing year were below established target price levels of $4.05 per bushel for wheat and $2.60 for barley.

No deficiency payments are required for oats as the five-month weighted average market price of $1.50 per bushel is the same as the $1.50 target price, Rank said.

The deficiency payment rate is based on the difference between the established target price and the higher of the national weighted average market price for June through October or the loan rate.

National weighted average market prices were $3.34 per bushel for wheat and $2.20 per bushel for barley. Thus, eligible producers will be paid 50 cents per bushel for their 1982-crop wheat based on the $3.55 loan rate and 40 cents per bushel for this year's barley based on the national weighted average market price.

Deficiency payments will be made to wheat and barley farmers who participated in the 1982 acreage reduction programs. Rank said the payment checks will be issued through local ASCS offices as soon as possible after Dec. 3 for wheat and after Dec. 10 for barley.

The total base acreage for the 1982 wheat program was 90.7 million acres of which 43.8 million acres participated in the program. The total acres planted for harvest on these complying farms was 33.0 million.

For the 1982 barley program, the total base acreage was 10.5 million acres with 4.8 million acres participating in the program. The acres planted for harvest on the complying farms was 3.5 million.

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